



# HVIP

## HYBRID TRUCK AND BUS INCENTIVE PROJECT

### WHAT is the California Hybrid Truck and Bus Voucher Incentive Project (HVIP)?

**HVIP helps fleets!** HVIP is a simplified incentive program created by the California Air Resources Board (ARB) to help fleets buy hybrid and battery-electric trucks and buses. High incremental cost is the biggest barrier for fleet purchase of these vehicles in the early market years when production volumes are still low. Using a simplified purchase voucher, HVIP will offset about half of the incremental cost of eligible hybrid medium- and heavy-duty vehicles, and a portion of the cost of battery-electric trucks and buses. The voucher reduces the cost right at the time of purchase. In 2011, there is approximately \$18 million available for purchase incentives.

### WHAT is new in 2011?

Last year's HVIP program resulted in the purchase of more than 650 hybrid trucks in California. The 2011 HVIP program is being expanded to include more eligible vehicles, including battery electric trucks and buses. There are new voucher amounts which are listed on the back side of this flyer.

### WHY the need for an HVIP program?

HVIP provides a meaningful "kick-start" to the hybrid and battery-electric truck and bus industry. It could help deploy about 750 vehicles in 2011, potentially growing the nation's early market vehicle volumes by 50 percent this year and helping move North America towards a mature and reliable hybrid truck market. U.S. manufacturers are currently the world's leaders in producing these vehicles, which retain jobs today and create new green tech jobs in the years ahead. Since hybrid and battery-electric technologies reduce greenhouse gas and criteria emissions, and cut petroleum use, HVIP provides strong public benefits by supporting a critical ramp-up in production to meet California's clean air goals and ensure the nation's energy security.

### WHO benefits from HVIP?

HVIP was designed to help fleets buy cleaner trucks faster and help manufacturers sell advanced trucks that are still in low production. Placed in the right applications, the economic benefit of investing in hybrid and battery-electric vehicles can outweigh its costs. Fleets can accrue substantial savings from reduced fuel costs over vehicle life. Today's hybrid trucks are already delivering these results. Data from CALSTART's Hybrid Truck Users Forum (HTUF™) and others shows hybrids generally improve fuel efficiency, from 20-50 percent, depending on the application and duty cycle.

### What Fleets Are Finding

According to UPS, it has deployed over 250 hybrid electric vehicles nationwide since 2000 and has recently purchased 130 new hybrid vehicles in September 2010. These vehicles promise a 35 percent improvement in fuel economy over the vehicles they are replacing. The vehicles are expected to collectively reduce fuel consumption by 220,000 gallons and CO2 by 2,243 metric tons annually.

EXAMPLE FLEET COST SAVINGS FROM HYBRID TRUCK PURCHASE				
	Incremental Hybrid Cost	HVIP Voucher	Net Hybrid Cost After Voucher	Annual Fuel Cost Savings
Package Delivery Truck	\$35,000	\$15,000	\$20,000	\$2,800
Beverage Tractor	\$45,000	\$25,000	\$20,000	\$3,500

*Assumes diesel price of \$3.50 per gallon.*

*This table illustrates how hybrid trucks can more than pay for themselves in annual fuel cost savings over a typical ownership period, particularly using the HVIP voucher.*

## HOW do I request an HVIP Voucher?

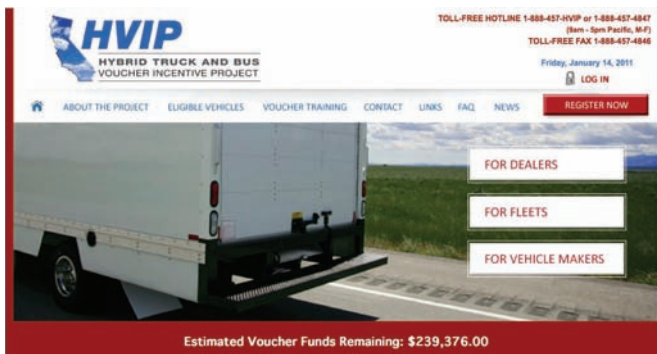
Fleets should work with an HVIP-registered dealer to process an HVIP voucher. Dealers request a purchase voucher with their fleet customers at the time of order; the amounts are pre-set for each eligible vehicle. The HVIP vouchers range from \$10,000 to \$30,000 on a first-come, first-served basis for the purchase of an eligible new hybrid or battery-electric truck or bus. (See Table below.) There is \$18 million in total voucher funding available. By accepting the voucher, you commit to operating your vehicle within California for at least three years after the voucher redemption date.

ELIGIBLE TRUCK AND BUS VOUCHER AMOUNTS		
Gross Vehicle Weight in Pounds (lbs)	Base Incentives <sup>1</sup>	
8,501 – 10,000 lbs <sup>2</sup>	Plug-in Hybrid	\$10,000
	Zero-Emission	\$15,000
10,001 – 19,500 lbs		\$15,000 <sup>3</sup>
19,501 – 33,000 lbs		\$20,000
33,001 – 38,000 lbs		\$25,000
>38,000 lbs		\$30,000

<sup>1</sup> The first HVIP eligible vehicle purchased by a fleet and ARB-certified hybrid vehicles above 14,000 lbs are each eligible for an additional \$5,000 voucher.

<sup>2</sup> This weight category includes plug-in hybrid and zero-emission vehicles only.

<sup>3</sup> Zero-emission commercial vehicles in this weight category are eligible for \$20,000.



To get started and find a list of eligible vehicles, visit the web site at

[www.californiahvip.org](http://www.californiahvip.org)

The list is updated frequently so be sure to check often. To find out what dealers need to know to take part, visit the Dealer section of the web site. For fleet background on how to take part, visit the Fleet section. Vehicle manufacturers can learn how to qualify their hybrid and battery-electric products on the Manufacturers page.

### What Fleets Are Saying

Coca-Cola is proud to operate North America's largest fleet of hybrid electric trucks," said Steven Saltzgeber, Director, Fleet Operations, Coca-Cola Refreshments, USA. "We made a choice to reduce CO2 and fuel consumption as part of our commitment to Live Positively. No other program has helped our effort more than HVIP to make hybrid trucks an easy choice to deliver the world's most popular beverage brands to our consumers."

For more background on hybrid trucks and how they can benefit you as a fleet, visit [www.californiahvip.org](http://www.californiahvip.org) or [www.HTUF.org](http://www.HTUF.org)



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